The Impact of School Quality Information on Moves to Opportunity in the United States

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Sector(s): Education, Finance, Labor Markets

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Location: United States (Multiple Locations)

Sample: 1,969 users of AffordableHousing.com website

Target group: Students Families and households People experiencing housing instability

Outcome of interest: Student learning Attitudes and norms

Intervention type: Information Housing and neighborhoods Nudges and reminders

Partner organization(s): AffordableHousing.com, GreatSchools

The neighborhoods in which children grow up can impact their earnings, education, and wellbeing, but many families who receive rental assistance in the United States through Housing Choice Vouchers (HCV) do not move to neighborhoods that improve their children's long-term outcomes. Researchers added school quality information to housing listings on the AffordableHousing.com website (formerly GoSection8), the largest provider of housing listings for HCV recipients, to evaluate the impact on families' search for housing and their residential locations. The researchers found that access to information changed where families chose to move, with families moving to neighborhoods with higher-rated, more racially-diverse schools.

Policy issue

Housing Choice Vouchers provided rental assistance to more than 2.2 million low-income families in 2016. Results from the Moving to Opportunity evaluation show that children whose families used vouchers to move to low-poverty areas were more likely to go to college and earned 31 percent more on average in adulthood. However, fewer than 15 percent of HCV families with children live in low-poverty neighborhoods. Low-income families are disproportionately segregated into neighborhoods assigned to lower-performing schools through zoning. This is especially true for HCV families, whose children attend schools that perform worse compared to schools attended by other low-income children.

Many barriers to housing choice exist for families with vouchers, and information gaps could be an important one. In general, lower-income families lack ready access to information about schools at the time of their housing search. Previously, the largest two housing search platforms for low-income renters in the nation did not have information on neighborhood and school quality on their housing listings. In contrast, higher-income families often look for homes on websites like Zillow and Trulia, which include information about school quality on each listing. What role does access to school quality information play in the housing decisions of low-income families?

Context of the evaluation

AffordableHousing.com is the largest rental listing website for housing units available to HCV recipients in the United States. Voucher holders can use the *AffordableHousing.com* website to find listings that meet their needs and the requirements of their voucher. Most recipients have three months to find a unit and sign a lease once they receive a voucher, making tools like *AffordableHousing.com* key sources of information for those seeking a new unit.

GreatSchools is a nonprofit organization that provides free school quality information to families in English and Spanish. Public and charter K-12 schools receive a "Summary Rating" on a scale of 1 to 10 based on data that reflect how well schools serve students from different racial, ethnic, and socioeconomic backgrounds, how much students are improving within a school year, performance on state tests, and how well schools prepare students for college. Within each state, the median Summary Rating is 5 (nationwide, roughly half of US public schools have a score below 5 and half have a score above 5). Researchers partnered with GreatSchools and *AffordableHousing.com* to add school quality information onto listings targeted to low-income families.



Brick apartment buildings in the United States

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Details of the intervention

Researchers conducted a randomized evaluation to test the impact of school quality information on the housing searches of low-income families. Users on the *AffordableHousing.com* website were randomly assigned to see either the normal *AffordableHousing.com* listing or the normal listing plus GreatSchools ratings.

Using data from the Department of Housing and Urban Development, researchers then tracked where participants ultimately chose to move and evaluated how the school quality information impacted where families with vouchers decided to live.

Results and policy lessons

Providing families with more information about neighborhood quality, specifically school quality, changed where families chose to live. Families with access to school quality information moved to areas assigned to schools that had 0.10 standard deviation higher ratings than schools assigned to the locations of families without access to this information. This translates to a roughly 1.5 percentage point higher share proficient on state exams.

On average, families looked towards the future when deciding which neighborhood to live in. Specifically, families with younger children targeted the "next" school; families with a child age 0-4 were more likely to choose an area with better primary schools when provided access to school quality information, while families with a child age 5-10 were more likely to choose areas with better middle and high schools when provided access to school quality information.

Many low-income families live in areas with lower quality schools on average, even when a housing voucher could be used to live in another school district, leading some to believe that low-income families do not value school quality. However, the study results showed that without taking information barriers into consideration, we would underestimate how much low-income families appear to value school quality by more than fifty percent.

The results suggest that lack of easy access to neighborhood quality information is one barrier to moving to higher opportunity areas. In response to the results of this study, *AffordableHousing.com* scaled up the provision of school quality information to all of its users. Providing school quality information can be a very low-cost intervention, but information gaps are not the only constraint families face during their housing search. Additional research is needed to learn more about how to address other barriers to housing choice.

Bergman, Peter, Eric W. Chan, and Adam Kapor. Housing search frictions: Evidence from detailed search data and a field experiment. No. w27209. National Bureau of Economic Research, 2020.

1. Chetty, Raj, Nathaniel Hendren, and Lawrence Katz. 2016. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment." *American Economic Review* 106 (4): 855–902.